Most Australian CIO Organisations Are Not Fully Prepared for Next Major Business Disruption, Reveals New Study by Genpact and MIT Sloan CIO Symposium

Study provides actionable insights from CIOs on how to accelerate digital business transformation for a post-pandemic world

SYDNEY, May 26, 2021 – Despite a time of unprecedented investment in digital infrastructure and transformation, more than three-quarters (76%) of Australian chief information officers (CIOs) believe their CIO organisation is not completely prepared to help their companies withstand another major business disruption. However, just over half (54%) agree strongly that they are well-positioned to support company growth after the pandemic, according to a study announced today by Genpact (NYSE: G), a global professional services firm focused on delivering digital transformation.

Genpact's research, *Pilots, co-pilots, and engineers: digital transformation insights from CIOs for CIOs*, conducted in partnership with the MIT Sloan CIO Symposium, presents the views of 500 CIOs and technology leaders globally, 50 of whom are in Australia, on lessons learned in weathering the storm of the pandemic and preparedness for the journey forward.

The study reveals three distinct roles: pilots, co-pilots, and engineers, with varying levels of influence over guiding change in their companies. In Australia, 24% of CIOs are pilots, leading the way and driving the transformation journey strategically across core business functions. The largest cohort, 56%, are co-pilots partnering with business leaders to shape and deliver transformation. And 20% are the engineers, simply executing, not driving transformation.

A CIO's ability to drive digital transformation in the right places at the right time can make or break a business. During the past year's disruption, Australian CIOs who invested in automating processes, adopting advanced analytics, and artificial intelligence (AI)/machine learning (ML) adapted most successfully. Looking to the future, Australia expects to see an innovation boom and heavy investment in growing digital skills as supported in the 2021-22 Australian Federal Budget. This will not only enable CIOs to actively engage in the digital economy with confidence, but also empower businesses to grow investment in digital technologies.

"Our global study validates what we're seeing across our clients. As the power of the cloud, data, and AI redefine the future of work, the CIO role is evolving exponentially but not equally," said **Sanjay Srivastava, chief digital officer, Genpact**, who will present the research findings in a keynote today at the MIT Sloan CIO Symposium. "Transformation pilot CIOs who drive alignment across the C-suite and put the organisational focus on building resilience and innovation will be the co-creators of new business models and future-ready companies. CIOs who do not will see their organisations struggle."

Other significant findings from Genpact's CIO study include:

- **Influencing the CEO's agenda is critical to CIOs' transformation success**

  The findings show that it is not enough simply to have access to the CEO, but rather to have a seat at the table in influencing the CEO agenda. It's clear that to drive strategic change, a CIO needs to report at a high organisational level, ideally to the CEO. But for the most successful CIOs, regular CEO meetings, not just reporting lines, make all the difference in the ability to leverage combined business and technology expertise to influence the company's strategic business agenda.

- **Being a data-led organisation is imperative to success**

  Australian CIOs are aligned on the need to be data-driven. Almost all (98%) agree that their companies make data-driven decisions to realise business value. Respondents cite digital commerce technologies as the top innovation that will help CIOs achieve their goals. The top choice for investment if they had additional financial resources is robotic process automation/intelligent automation. These technologies allow CIOs to make the most of the data at their disposal, generating predictive insights for more informed decision-making.

- **In the virtual world of work, CIOs are overlooking HR**

  While the pandemic has forced more focus on employee safety, only 30% of Australia respondents say their CIO organisation helps track employee wellbeing. Despite this, human resources ranked last among the functional areas prioritised for full-stack technology investment over the next two years. This warns of a potential disconnect in meeting employee needs with new remote and hybrid office models emerging.

- **CIOs are pivotal in connecting employee and customer experience**

  About a third (32%) of Australian CIOs surveyed hold themselves accountable for employee experience and (30%) for customer experience. In fact, CIOs are uniquely positioned to connect CX and employee experience technologies. Only when employees are digitally enabled can they deliver the experiences customers expect.

"CIOs who are not prepared for business disruption and post-pandemic growth risk becoming obsolete," said **Tom Davenport, distinguished professor at Babson College, visiting professor at Oxford, and research fellow at the MIT Initiative on the Digital Economy**, and a co-author of the Genpact study. "Genpact's research provides insights on how all three types of CIOs can take the pilot's seat to accelerate digital business transformation and business growth."

Download the full report, *Pilots, co-pilots, and engineers: digital transformation insights from CIOs for CIOs*, for actionable insights.

About the Research

In March 2021, Genpact worked with the MIT Sloan CIO Symposium and Wakefield Research to survey chief information officers (80%) and comparable C-level positions, such as chief technology officers, chief digital officers, and chief transformation officers.

Respondents are from banking and financial services, insurance, healthcare and life sciences, high tech, consumer goods and retail, media and entertainment, and industrial manufacturing. They work for companies with at least $2 billion in annual revenue ($50 billion in assets under management for financial institutions). They currently live in the US, Canada, UK, Germany, Singapore, Japan, or Australia.

The study used online surveys with participation secured through email invitations. It also included in-depth interviews with over 25 CIOs – including winners of the MIT Sloan CIO Leadership Award – to add insights to the survey findings.

About Genpact

Genpact (NYSE: G) is a global professional services firm that makes business transformation real. Led by our purpose -- the relentless pursuit of a world that works better for people -- we drive digital-led innovation and digitally enabled intelligent operations for our clients. Guided by our experience reinventing and running thousands of processes for hundreds of clients, many of them Global Fortune 500 companies, we drive real-world transformation at scale. We think with design, dream in digital, and solve problems with data and analytics. Combining our expertise in end-to-end operations and our AI-based platform, Genpact Cora, we focus on the details – all 90,000+ of us. From New York to New Delhi, and more than 30 countries in between, we connect every dot, reimagine every process, and reinvent the ways companies work. We know that reimagining each step from start to finish creates better business outcomes. Whatever it is, we'll be there with you – accelerating digital transformation to create bold, lasting results – because transformation happens here. Get to know us at Genpact.com and on LinkedIn, Twitter, YouTube, and Facebook.

About the MIT Sloan CIO Symposium

The MIT Sloan CIO Symposium is a premier global conference that brings together a unique community of MIT academic leaders, CIOs, digital technology executives, and industry experts, enabling them to be more effective leaders. The Symposium offers an environment for engaging discussions where the best in-the-trenches business practices, technology innovations, actionable insights, and new ideas can be shared and debated. The Symposium is organised by the MIT Sloan Boston Alumni Association. For more information and to register for this year's Symposium, visit www.mitcio.com.

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